

CITY OF ROZEL, KANSAS

FINANCIAL STATEMENT

For the Year Ended December 31, 2015

VONFELDT, BAUER & VONFELDT, CHTD.

Certified Public Accountants

Larned, Kansas 67550

CITY OF ROZEL, KANSAS

Financial Statement
Regulatory Basis
For the Year Ended December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Rozel Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Rozel Kansas, a Municipality, as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Rozel, Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Rozel, Kansas as of December 31, 2015 or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Rozel, Kansas as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. The graphical analysis (Schedule 3 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement nor required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we rendered an unmodified opinion dated April 29, 2016. The 2014 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

VONFELDT, BAUER & VONFELDT, CHTD.

Certified Public Accountants

Larned, Kansas

April 29, 2016

CITY OF ROZEL, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2015

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances
General Funds:		
General Fund	\$ 10,504.82	\$ 0.00
Special Purpose Funds:		
Law Enforcement Fund	2,937.62	0.00
Special Highway Fund	5,699.67	0.00
Fire Donations Fund	18,598.25	0.00
Park Donations Fund	141.28	0.00
Bond and Interest Funds:		
Water Debt Service Fund	1,451.16	0.00
Business Funds:		
Gas Fund	69,693.28	0.00
Water Fund	37,302.01	0.00
Sewer Fund	<u>33,052.71</u>	<u>0.00</u>
Total Reporting Entity	<u>\$ 179,380.80</u>	<u>\$ 0.00</u>
Composition of Cash:		

The notes to the financial statement are an integral part of this statement.

<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
\$ 141,516.55	\$ 132,297.91	\$ 19,723.46	\$ 5,613.37	\$ 25,336.83
0.00	547.12	2,390.50	0.00	2,390.50
4,221.00	594.48	9,326.19	240.42	9,566.61
50,050.06	45,464.34	23,183.97	415.50	23,599.47
297.50	75.44	363.34	0.00	363.34
19,500.00	19,542.13	1,409.03	0.00	1,409.03
96,303.05	109,784.62	56,211.71	20,951.47	77,163.18
41,907.52	44,650.72	34,558.81	428.18	34,986.99
<u>14,865.57</u>	<u>11,353.69</u>	<u>36,564.59</u>	<u>45.51</u>	<u>36,610.10</u>
<u>\$ 368,661.25</u>	<u>\$ 364,310.45</u>	<u>\$ 183,731.60</u>	<u>\$ 27,694.45</u>	<u>\$ 211,426.05</u>
Cash on Hand				\$ 50.00
Checking Account				129,050.25
Savings Account				54,792.43
Certificates of Deposit				<u>27,533.37</u>
Total Reporting Entity				<u>\$ 211,426.05</u>

CITY OF ROZEL, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2015

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Rozel Kansas (City) is a municipal corporation governed by an elected five-member council. This financial statement presents the City of Rozel (the municipality). City of Rozel has no related municipal entities as of December 31, 2015.

B. REGULATORY BASIS FUND TYPES

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

D. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available. Cash and investments consist of an interest bearing checking account, savings account and certificates of deposit. Earnings from these investments are allocated to designated funds. Cash and investments are stated at cost.

E. AD VALOREM TAX REVENUE

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20 and distributed to the City by January 20. The second half is due May 10 and distributed to the City by June 5. The City Treasurer draws available funds from the County Treasurer at designated times throughout the year.

F. REIMBURSED EXPENSES

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

G. USE OF ESTIMATES

The preparation of the financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the amounts reported in the financial statement and accompanying notes. Actual results may differ from those estimates.

Note 2 - BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment for Qualifying Budget Credits: The City may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, reimbursements, gifts and donations and receipts authorized by law to be spent as if they were reimbursed expenses.

Note 2 - BUDGETARY INFORMATION (Cont'd.)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Fire Donations Fund
Park Donations Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note 3 - COMPLIANCE WITH KANSAS STATUTES

Management is aware of no statutory violations for the period covered by the audit.

Note 4 - DEPOSITS

K.S.A. 9-1401 established the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All deposits were legally secured at December 31, 2015.

At December 31, 2015 the City's carrying amount of deposits was \$211,376.05 and the bank balance was \$211,857.41. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$211,857.41 was covered by federal depository insurance.

Note 5 - LONG TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2015, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General obligation bonds:				
Series 2010-A	3.25%	2/18/2010	\$ 384,000.00	2/18/2050
Series 2010-B	3.25%	2/18/2010	50,000.00	2/18/2050
Capital lease payable:				
2012 Danko Fire Truck	3.59%	4/04/2013	79,400.00	4/05/2023

Total Contractual Indebtedness

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>
Principal:				
General obligation bonds	\$ 6,379.98	\$ 6,587.34	\$ 6,801.42	\$ 7,022.47
Capital lease payable	<u>7,232.69</u>	<u>7,492.34</u>	<u>7,761.32</u>	<u>8,039.95</u>
Total Principal	<u>13,612.67</u>	<u>14,079.68</u>	<u>14,562.74</u>	<u>15,062.42</u>
Interest:				
General obligation bonds	13,162.14	12,954.79	12,740.70	12,519.66
Capital lease payable	<u>2,357.83</u>	<u>2,098.18</u>	<u>1,829.20</u>	<u>1,550.57</u>
Total Interest	<u>15,519.97</u>	<u>15,052.97</u>	<u>14,569.90</u>	<u>14,070.23</u>
Total Principal & Interest	<u>\$ 29,132.64</u>	<u>\$ 29,132.65</u>	<u>\$ 29,132.64</u>	<u>\$ 29,132.65</u>

Balance Beginning of Year	Additions	Reductions / Payments	Balance End of Year	Interest Paid
\$ 363,798.50	\$ 0.00	\$ 5,467.28	\$ 358,331.22	\$ 11,823.45
47,369.60	0.00	711.89	46,657.71	1,539.51
<u>72,659.93</u>	<u>0.00</u>	<u>7,342.03</u>	<u>65,317.90</u>	<u>2,608.49</u>
<u>\$ 483,828.03</u>	<u>\$ 0.00</u>	<u>\$ 13,521.20</u>	<u>\$ 470,306.83</u>	<u>\$ 15,971.45</u>

12/31/2020	12/31/2021 - 12/31/2025	12/31/2026 - 12/31/2030	12/31/2031 - 12/31/2035	12/31/2036 - 12/31/2040
\$ 7,250.70	\$ 39,945.16	\$ 46,872.13	\$ 55,000.27	\$ 64,537.96
8,328.58	26,463.02	0.00	0.00	0.00
<u>15,579.28</u>	<u>66,408.18</u>	<u>46,872.13</u>	<u>55,000.27</u>	<u>64,537.96</u>
12,291.42	57,765.46	50,838.51	42,710.36	33,172.68
1,261.94	1,948.54	0.00	0.00	0.00
<u>13,553.36</u>	<u>59,714.00</u>	<u>50,838.51</u>	<u>42,710.36</u>	<u>33,172.68</u>
<u>\$ 29,132.64</u>	<u>\$ 126,122.18</u>	<u>\$ 97,710.64</u>	<u>\$ 97,710.63</u>	<u>\$ 97,710.64</u>

Note 5 - LONG TERM DEBT (Cont'd.)

	12/31/2041 - 12/31/2045	12/31/2046 - 12/31/2050	Totals
Principal:			
General obligation bonds	\$ 75,729.56	\$ 88,861.94	\$ 404,988.93
Capital lease payable	<u>0.00</u>	<u>0.00</u>	<u>65,317.90</u>
Total Principal	<u>75,729.56</u>	<u>88,861.94</u>	<u>470,306.83</u>
Interest:			
General obligation bonds	21,981.06	8,848.68	278,985.46
Capital lease payable	<u>0.00</u>	<u>0.00</u>	<u>11,046.26</u>
Total Interest	<u>21,981.06</u>	<u>8,848.68</u>	<u>290,031.72</u>
Total Principal & Interest	<u>\$ 97,710.62</u>	<u>\$ 97,710.62</u>	<u>\$ 760,338.55</u>

The City entered into a lease purchase agreement for a 2012 Danko Fire Truck from Tax-Exempt Leasing Corp., on April 4, 2013. The lease requires ten annual payments of \$9,590.52, which will began April 2014. The lease is non-cancelable except in the event no funds or insufficient funds are appropriated and budgeted and funds are not otherwise available by any means whatsoever after the City has exercised its best efforts and any administrative reviews and appeals available to secure adequate funds.

Note 6 - INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Water	Water Debt Service	K.S.A. 12-825d	\$ 19,500.00

Note 7 - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Compensated Absences. Full time employees will accrue 1 day of vacation per month of employment up to a maximum of 12 days, which cannot be used until the employee has completed 6 months of employment. After 10 years, employees will accrue 1 1/2 days of vacation per month of employment up to a maximum of 18 days. Upon separation of employment, employees will be paid for any unused vacation leave, therefore, the potential liability for vacation leave as of December 31, 2015 and 2014 is \$653.92 and \$466.65, respectively, which is a net change of \$187.27.

Full-time employees will accrue 1 day of sick leave per month up to a maximum of 60 days. Upon separation of employment, employees are not paid for any unused sick leave, therefore, there is no potential liability for sick leave as of December 31, 2015.

Note 8 - RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; thefts of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City obtains coverage from commercial insurance companies in order to effectively manage risk. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years. The City does not participate in a public entity risk pool.

Note 9 - CONTINGENCIES

During the ordinary course of its operations the City is a party to potential claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material effect on the City's financial statement.

Note 10 - OPERATING LEASES

The City has entered into an operating lease with First Bank for a Bobcat Skid Steer Loader which contains a cancellation provision and is subject to annual appropriations. For the year ended December 31, 2015 rent expenditures were \$3,446.00. These expenditures were made from the General Fund.

The City has entered into an operating lease with Marmie Leasing Inc for a 2014 Ford F150 which contains a cancellation provision and is subject to annual appropriations. For the year ended December 31, 2015 rent expenditures were \$1,770.00. Of these expenditures \$589.98 was made from the General Fund, \$590.04 was made from the Gas Fund and \$589.98 was made from the Water Fund.

Note 11 - SUBSEQUENT EVENTS

The City has evaluated events subsequent to year end through April 29, 2016, and does not believe any events have occurred which affect the financial statement as presented.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF ROZEL, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015

Funds	Certified Budget	Adjustment for Qualifying Budget Credits
General Funds:		
General Fund	\$ 149,000.00	\$ 0.00
Special Purpose Funds:		
Law Enforcement Fund	12,000.00	0.00
Special Highway Fund	9,000.00	0.00
Bond and Interest Funds:		
Water Debt Service Fund	21,036.00	0.00
Business Funds:		
Gas Fund	190,000.00	0.00
Water Fund	80,000.00	0.00
Sewer Fund	53,000.00	0.00

<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
\$ 149,000.00	\$ 132,297.91	\$ (16,702.09)
12,000.00	547.12	(11,452.88)
9,000.00	594.48	(8,405.52)
21,036.00	19,542.13	(1,493.87)
190,000.00	109,784.62	(80,215.38)
80,000.00	44,650.72	(35,349.28)
53,000.00	11,353.69	(41,646.31)

CITY OF ROZEL, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Receipts:				
Ad Valorem Property Tax	\$ 78,721.03	\$ 80,777.00	\$ 82,000.00	\$ (1,223.00)
Delinquent Tax	4,284.18	3,488.46	1,000.00	2,488.46
Motor Veh./16-20M Veh. Tax	13,218.67	12,302.92	14,341.00	(2,038.08)
Recreational Vehicle Tax	13.64	124.51	0.00	124.51
Sales Tax	13,664.77	12,748.23	14,000.00	(1,251.77)
Franchise Fees	5,120.76	4,817.76	5,500.00	(682.24)
Fire Protection	9,895.00	8,936.00	7,500.00	1,436.00
Sales Tax Collections	3,540.29	4,403.30	3,000.00	1,403.30
Late Charges	3,073.87	1,452.25	2,000.00	(547.75)
Licenses, Permits & Fees	265.50	131.00	500.00	(369.00)
Community Center	1,018.54	1,380.00	1,000.00	380.00
Reimbursements	28,716.37	10,124.24	2,000.00	8,124.24
Interest on Idle Funds	152.38	129.34	100.00	29.34
Miscellaneous	2,056.31	701.54	1,000.00	(298.46)
Operating Transfers:				
From Gas	0.00	0.00	5,000.00	(5,000.00)
Total Receipts	163,741.31	141,516.55	\$ 138,941.00	\$ 2,575.55
Expenditures				
Salaries	34,747.78	25,932.73	33,000.00	(7,067.27)
Employee Benefits	3,549.59	1,039.56	0.00	1,039.56
Payroll Taxes	5,969.32	5,900.88	5,000.00	900.88
Utilities	18,480.41	16,709.31	20,000.00	(3,290.69)
Repairs	22,662.09	2,727.64	4,000.00	(1,272.36)
Dues & Continuing Education	3,249.66	1,742.53	4,000.00	(2,257.47)
Professional Fees	13,459.47	12,247.32	14,000.00	(1,752.68)
Insurance	17,113.00	20,091.69	18,000.00	2,091.69
Sales Tax	2,810.20	8,076.57	3,000.00	5,076.57
Office Expense	3,231.58	5,015.26	4,000.00	1,015.26
Supplies	6,971.14	5,236.08	13,000.00	(7,763.92)
Equipment Fuel & Repairs	8,081.33	4,685.81	5,000.00	(314.19)
Capital Outlay	4,446.00	4,446.00	13,000.00	(8,554.00)
Fire Department	8,857.94	13,276.82	6,000.00	7,276.82
Community Center	3,219.80	2,735.25	7,000.00	(4,264.75)
Miscellaneous	3,795.69	2,434.46	0.00	2,434.46
Total Expenditures	160,645.00	132,297.91	\$ 149,000.00	\$ (16,702.09)

CITY OF ROZEL, KANSAS
 GENERAL FUND (Cont'd.)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2015
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Receipts Over (Under) Expenditures	3,096.31	9,218.64		
Unencumbered Cash, Beginning	<u>7,408.51</u>	<u>10,504.82</u>		
Unencumbered Cash, Ending	<u>\$ 10,504.82</u>	<u>\$ 19,723.46</u>		

CITY OF ROZEL, KANSAS
LAW ENFORCEMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Receipts				
Fines & Fees	\$ 181.49	\$ 0.00	\$ 6,000.00	\$ (6,000.00)
Total Receipts	<u>181.49</u>	<u>0.00</u>	<u>\$ 6,000.00</u>	<u>\$ (6,000.00)</u>
Expenditures				
Salaries	85.96	0.00	4,000.00	(4,000.00)
Contractual Services	0.00	547.12	5,000.00	(4,452.88)
Commodities	0.00	0.00	1,000.00	(1,000.00)
Fines & Fees	<u>30.00</u>	<u>0.00</u>	<u>2,000.00</u>	<u>(2,000.00)</u>
Total Expenditures	<u>115.96</u>	<u>547.12</u>	<u>\$ 12,000.00</u>	<u>\$ (11,452.88)</u>
Receipts Over (Under) Expenditures	65.53	(547.12)		
Unencumbered Cash, Beginning	<u>2,872.09</u>	<u>2,937.62</u>		
Unencumbered Cash, Ending	<u>\$ 2,937.62</u>	<u>\$ 2,390.50</u>		

CITY OF ROZEL, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Receipts:				
State Gas Tax	\$ 4,038.57	\$ 4,083.80	\$ 3,990.00	\$ 93.80
Reimbursements	0.00	137.20	0.00	137.20
Total Receipts	<u>4,038.57</u>	<u>4,221.00</u>	<u>\$ 3,990.00</u>	<u>\$ 231.00</u>
Expenditures				
Repairs & Supplies	<u>2,989.84</u>	<u>594.48</u>	<u>9,000.00</u>	<u>(8,405.52)</u>
Total Expenditures	<u>2,989.84</u>	<u>594.48</u>	<u>\$ 9,000.00</u>	<u>\$ (8,405.52)</u>
Receipts Over (Under) Expenditures	1,048.73	3,626.52		
Unencumbered Cash, Beginning	<u>4,650.94</u>	<u>5,699.67</u>		
Unencumbered Cash, Ending	<u>\$ 5,699.67</u>	<u>\$ 9,326.19</u>		

CITY OF ROZEL, KANSAS
 FIRE DONATIONS FUND
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2015
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014</u>	<u>2015</u>
Receipts		
Donations	\$ 21,858.50	\$ 26,388.06
Reimbursements	2,866.00	0.00
Federal Aid	<u>624.72</u>	<u>23,662.00</u>
Total Receipts	<u>25,349.22</u>	<u>50,050.06</u>
Expenditures		
Contractual Services	4,457.50	7,178.96
Commodities	13,461.41	28,334.86
Capital Outlay	<u>9,590.52</u>	<u>9,950.52</u>
Total Expenditures	<u>27,509.43</u>	<u>45,464.34</u>
Receipts Over (Under) Expenditures	(2,160.21)	4,585.72
Unencumbered Cash, Beginning	<u>20,758.46</u>	<u>18,598.25</u>
Unencumbered Cash, Ending	<u><u>\$ 18,598.25</u></u>	<u><u>\$ 23,183.97</u></u>

CITY OF ROZEL, KANSAS
 PARK DONATIONS FUND
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2015
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014</u>	<u>2015</u>
Receipts		
Donations	\$ 1,347.50	\$ 297.50
Total Receipts	<u>1,347.50</u>	<u>297.50</u>
Expenditures		
Commodities	<u>1,698.30</u>	<u>75.44</u>
Total Expenditures	<u>1,698.30</u>	<u>75.44</u>
Receipts Over (Under) Expenditures	(350.80)	222.06
Unencumbered Cash, Beginning	<u>492.08</u>	<u>141.28</u>
Unencumbered Cash, Ending	<u>\$ 141.28</u>	<u>\$ 363.34</u>

CITY OF ROZEL, KANSAS
WATER DEBT SERVICE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers:				
From Water	\$ 19,500.00	\$ 19,500.00	\$ 19,543.00	\$ (43.00)
Total Receipts	<u>19,500.00</u>	<u>19,500.00</u>	<u>\$ 19,543.00</u>	<u>\$ (43.00)</u>
Expenditures				
Principal	5,984.66	6,179.17	6,180.00	(0.83)
Interest	13,557.46	13,362.96	13,363.00	(0.04)
Cash Basis Reserve	<u>0.00</u>	<u>0.00</u>	<u>1,493.00</u>	<u>(1,493.00)</u>
Total Expenditures	<u>19,542.12</u>	<u>19,542.13</u>	<u>\$ 21,036.00</u>	<u>\$ (1,493.87)</u>
Receipts Over (Under) Expenditures	(42.12)	(42.13)		
Unencumbered Cash, Beginning	<u>1,493.28</u>	<u>1,451.16</u>		
Unencumbered Cash, Ending	<u>\$ 1,451.16</u>	<u>\$ 1,409.03</u>		

CITY OF ROZEL, KANSAS
 GAS FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2015
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Receipts				
Customer Receipts	\$ 119,192.44	\$ 94,624.73	\$ 120,000.00	\$ (25,375.27)
Connection Fees	601.00	450.00	900.00	(450.00)
Reimbursements	863.50	1,228.32	0.00	1,228.32
Total Receipts	<u>120,656.94</u>	<u>96,303.05</u>	<u>\$ 120,900.00</u>	<u>\$ (24,596.95)</u>
Expenditures				
Salaries	36,389.22	18,167.27	43,000.00	(24,832.73)
Repairs & Supplies	3,154.29	17,591.09	10,000.00	7,591.09
Purchased Gas	70,952.42	64,948.92	65,000.00	(51.08)
Contractual Services	6,781.00	7,177.99	7,000.00	177.99
Utilities	1,403.23	1,184.31	0.00	1,184.31
Capital Outlay	0.00	0.00	60,000.00	(60,000.00)
Miscellaneous	733.54	715.04	0.00	715.04
Operating Transfers:				
To General	0.00	0.00	5,000.00	(5,000.00)
Total Expenditures	<u>119,413.70</u>	<u>109,784.62</u>	<u>\$ 190,000.00</u>	<u>\$ (80,215.38)</u>
Receipts Over (Under) Expenditures	1,243.24	(13,481.57)		
Unencumbered Cash, Beginning	<u>68,450.04</u>	<u>69,693.28</u>		
Unencumbered Cash, Ending	<u>\$ 69,693.28</u>	<u>\$ 56,211.71</u>		

CITY OF ROZEL, KANSAS
WATER FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

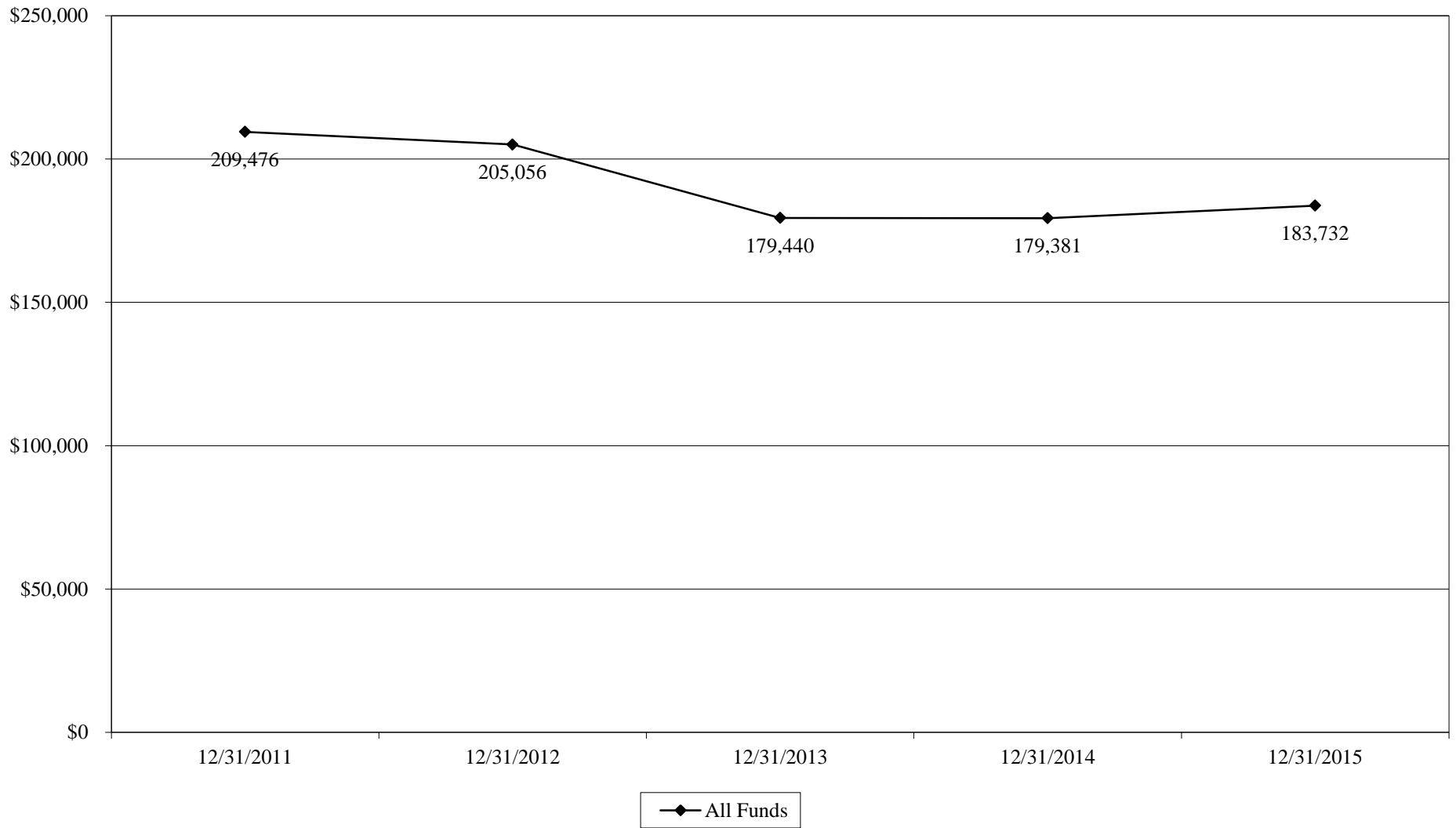
	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Receipts				
Customer Receipts	\$ 41,486.22	\$ 41,630.77	\$ 36,000.00	\$ 5,630.77
Connection Fees	167.17	125.00	300.00	(175.00)
Reimbursements	123.06	151.75	0.00	151.75
Total Receipts	<u>41,776.45</u>	<u>41,907.52</u>	<u>\$ 36,300.00</u>	<u>\$ 5,607.52</u>
Expenditures				
Salaries	1,124.16	10,270.96	1,000.00	9,270.96
Repairs & Supplies	18,846.46	6,547.66	6,000.00	547.66
Utilities	6,187.07	6,088.94	6,000.00	88.94
Water Fees	617.09	939.64	2,000.00	(1,060.36)
Contractual Services	780.16	393.74	5,000.00	(4,606.26)
Capital Outlay	0.00	0.00	40,457.00	(40,457.00)
Miscellaneous	0.00	909.78	0.00	909.78
Operating Transfers:				
To Water Debt Service	19,500.00	19,500.00	19,543.00	(43.00)
Total Expenditures	<u>47,054.94</u>	<u>44,650.72</u>	<u>\$ 80,000.00</u>	<u>\$ (35,349.28)</u>
Receipts Over (Under) Expenditures	(5,278.49)	(2,743.20)		
Unencumbered Cash, Beginning	<u>42,580.50</u>	<u>37,302.01</u>		
Unencumbered Cash, Ending	<u>\$ 37,302.01</u>	<u>\$ 34,558.81</u>		

CITY OF ROZEL, KANSAS
SEWER FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

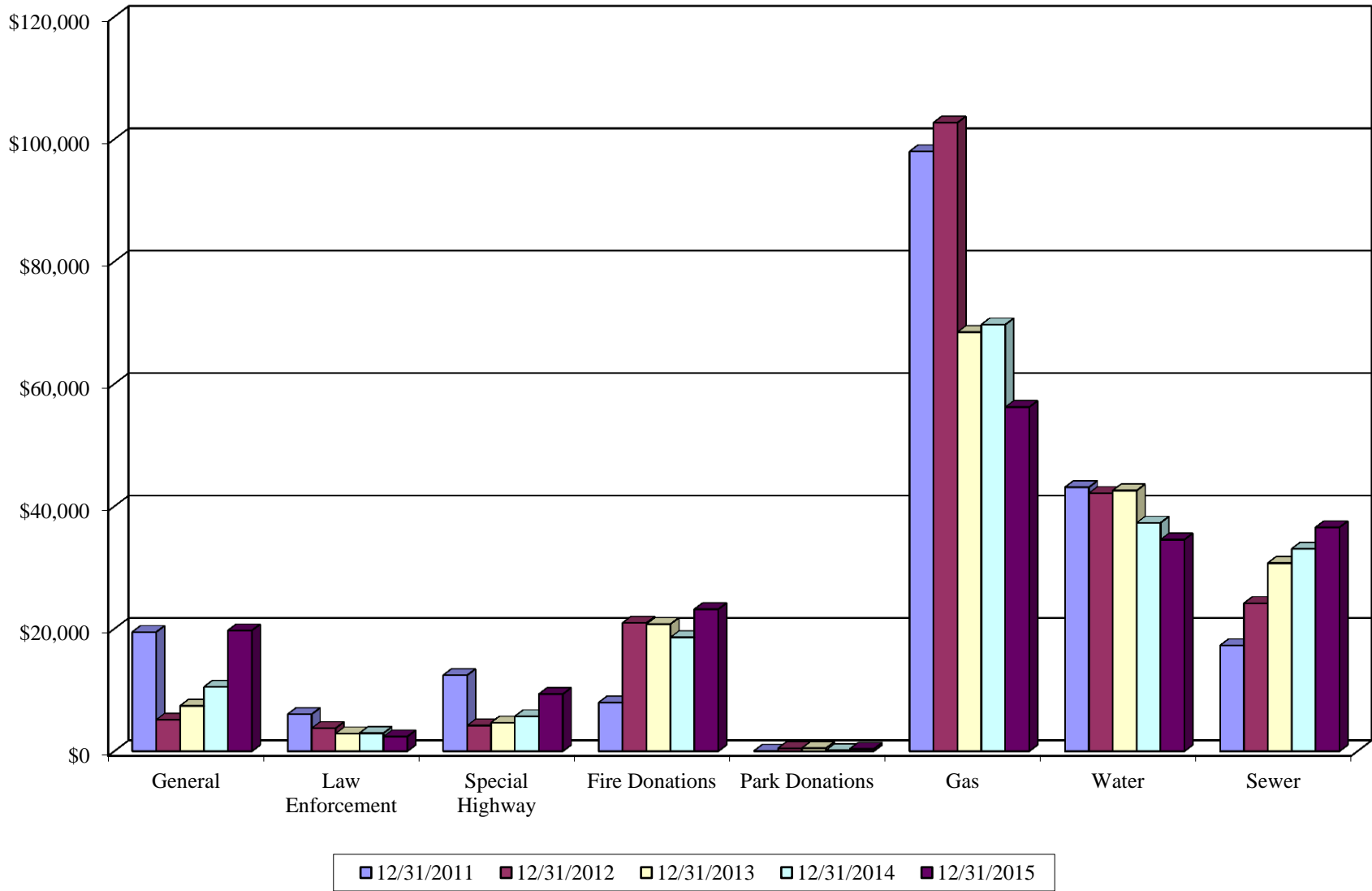
		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Customer Receipts	\$ 12,634.31	\$ 14,865.57	\$ 14,000.00	\$ 865.57
Total Receipts	<u>12,634.31</u>	<u>14,865.57</u>	<u>\$ 14,000.00</u>	<u>\$ 865.57</u>
Expenditures				
Salaries	1,106.42	10,270.66	3,000.00	7,270.66
Repairs & Supplies	8,464.48	110.63	5,000.00	(4,889.37)
Utilities	744.35	972.40	1,000.00	(27.60)
Capital Outlay	<u>0.00</u>	<u>0.00</u>	<u>44,000.00</u>	<u>(44,000.00)</u>
Total Expenditures	<u>10,315.25</u>	<u>11,353.69</u>	<u>\$ 53,000.00</u>	<u>\$ (41,646.31)</u>
Receipts Over (Under) Expenditures	2,319.06	3,511.88		
Unencumbered Cash, Beginning	<u>30,733.65</u>	<u>33,052.71</u>		
Unencumbered Cash, Ending	<u>\$ 33,052.71</u>	<u>\$ 36,564.59</u>		

SUPPLEMENTARY INFORMATION

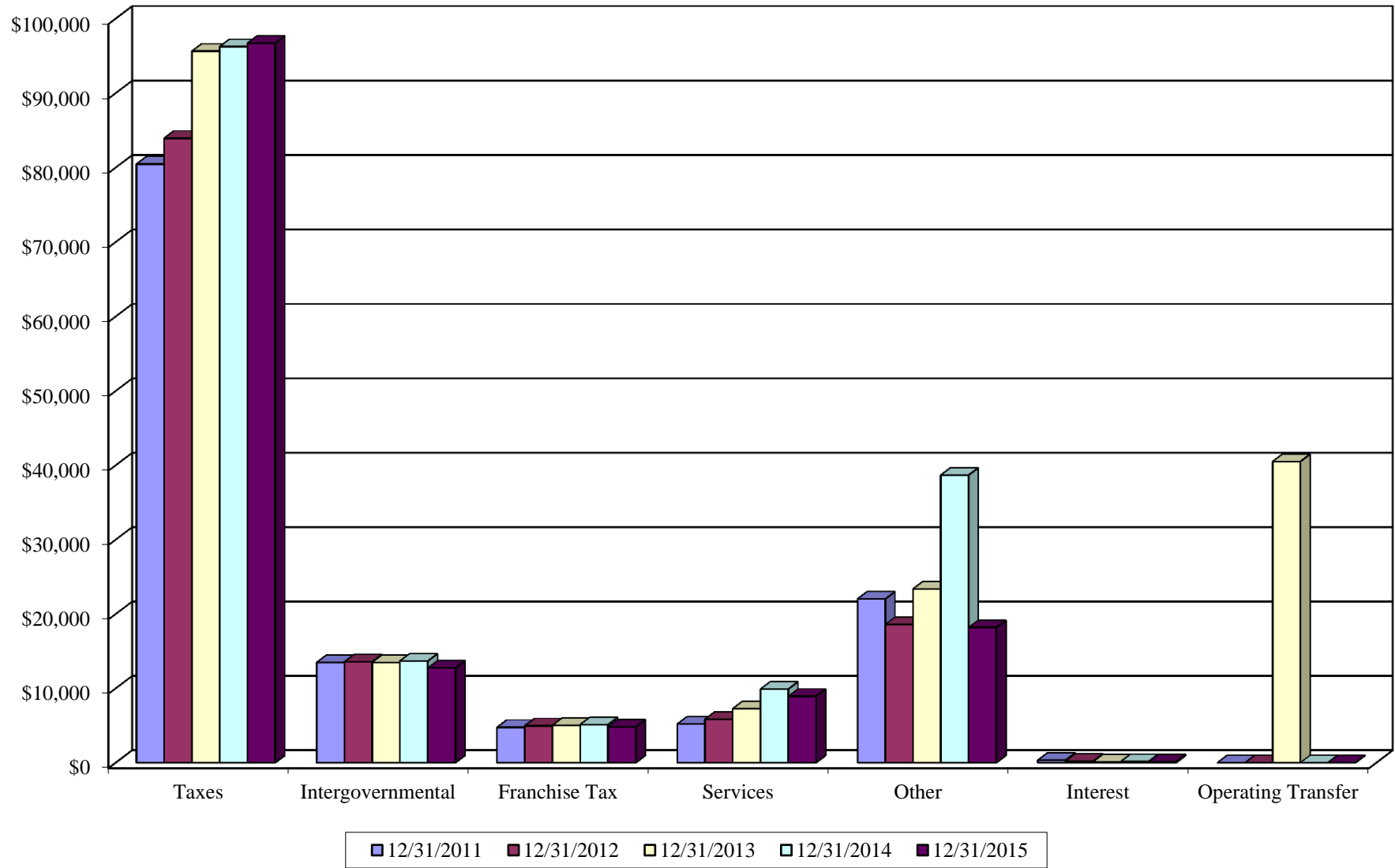
City of Rozel, Kansas
Unencumbered Cash Balance
All Funds



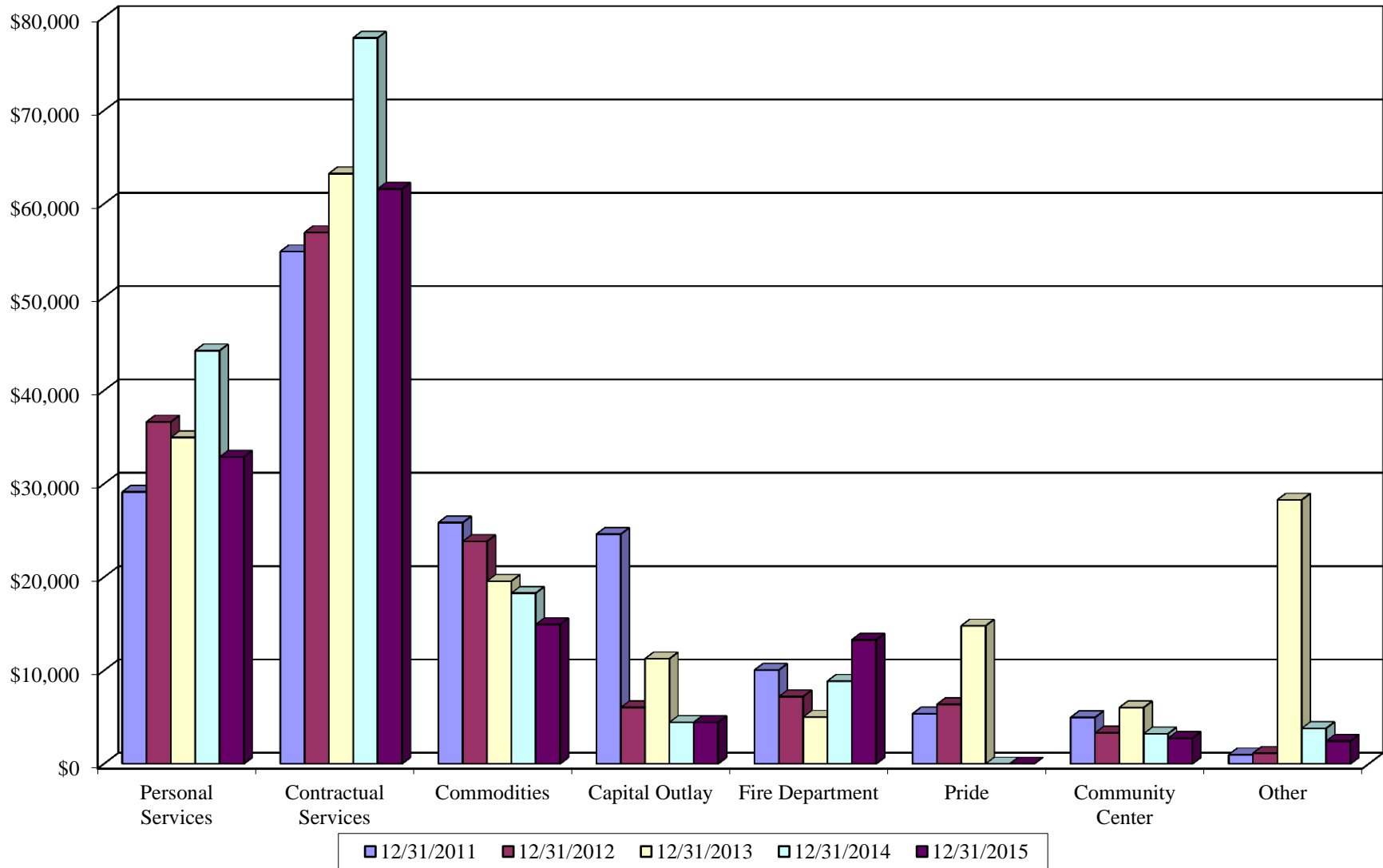
City of Rozel, Kansas Unencumbered Cash Balance Selected Funds



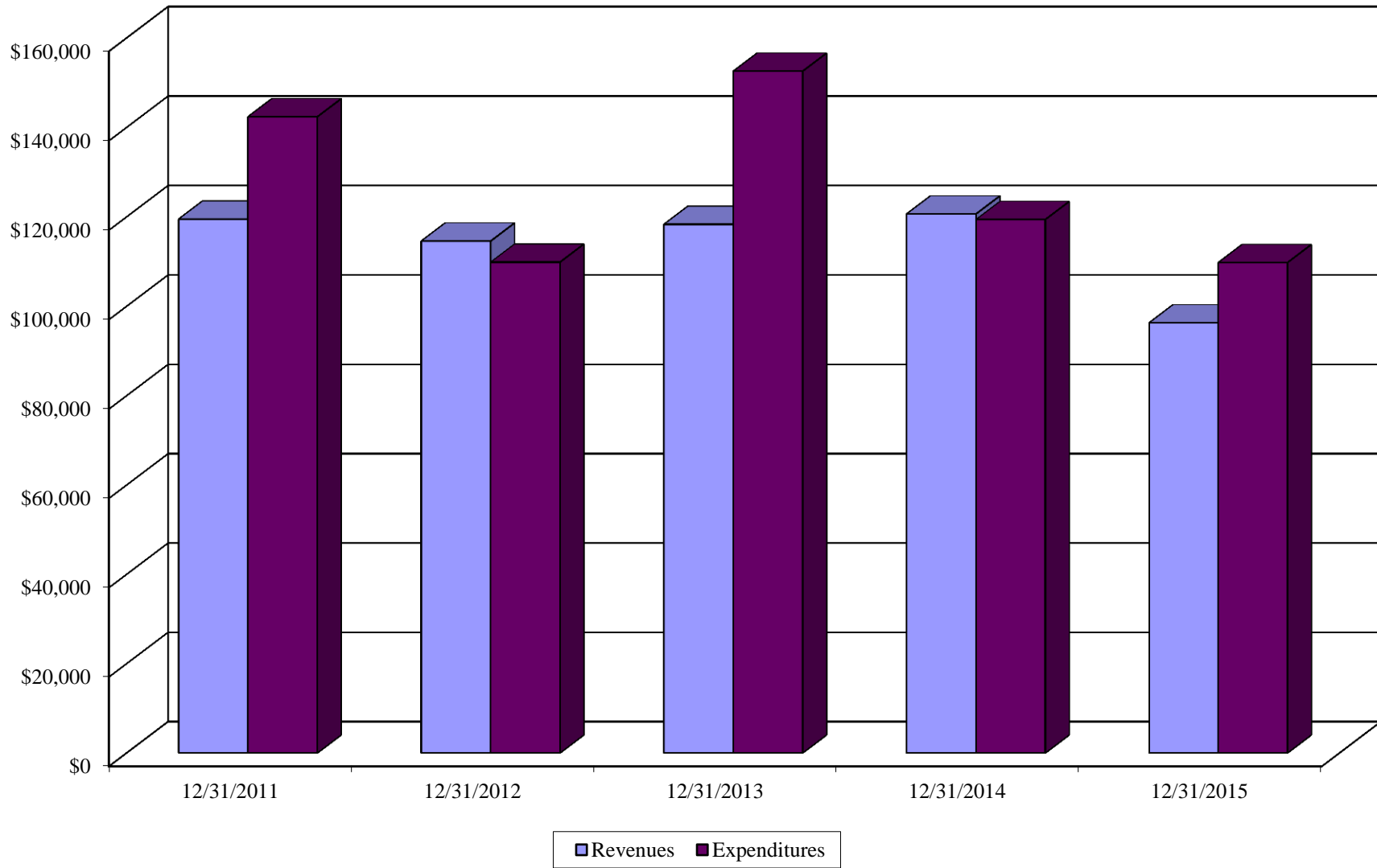
City of Rozel, Kansas General Fund Revenues



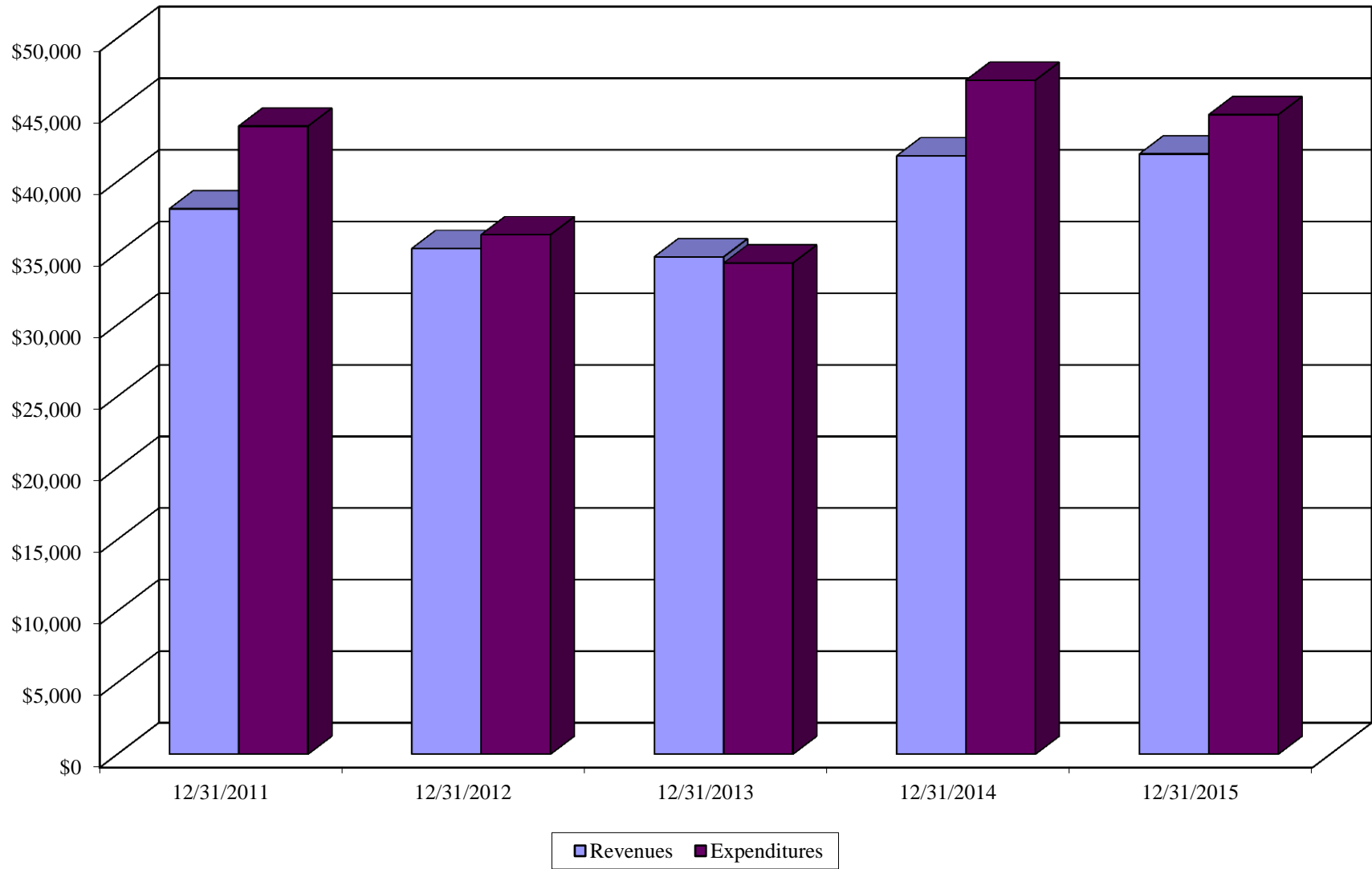
City of Rozel, Kansas General Fund Expenditures



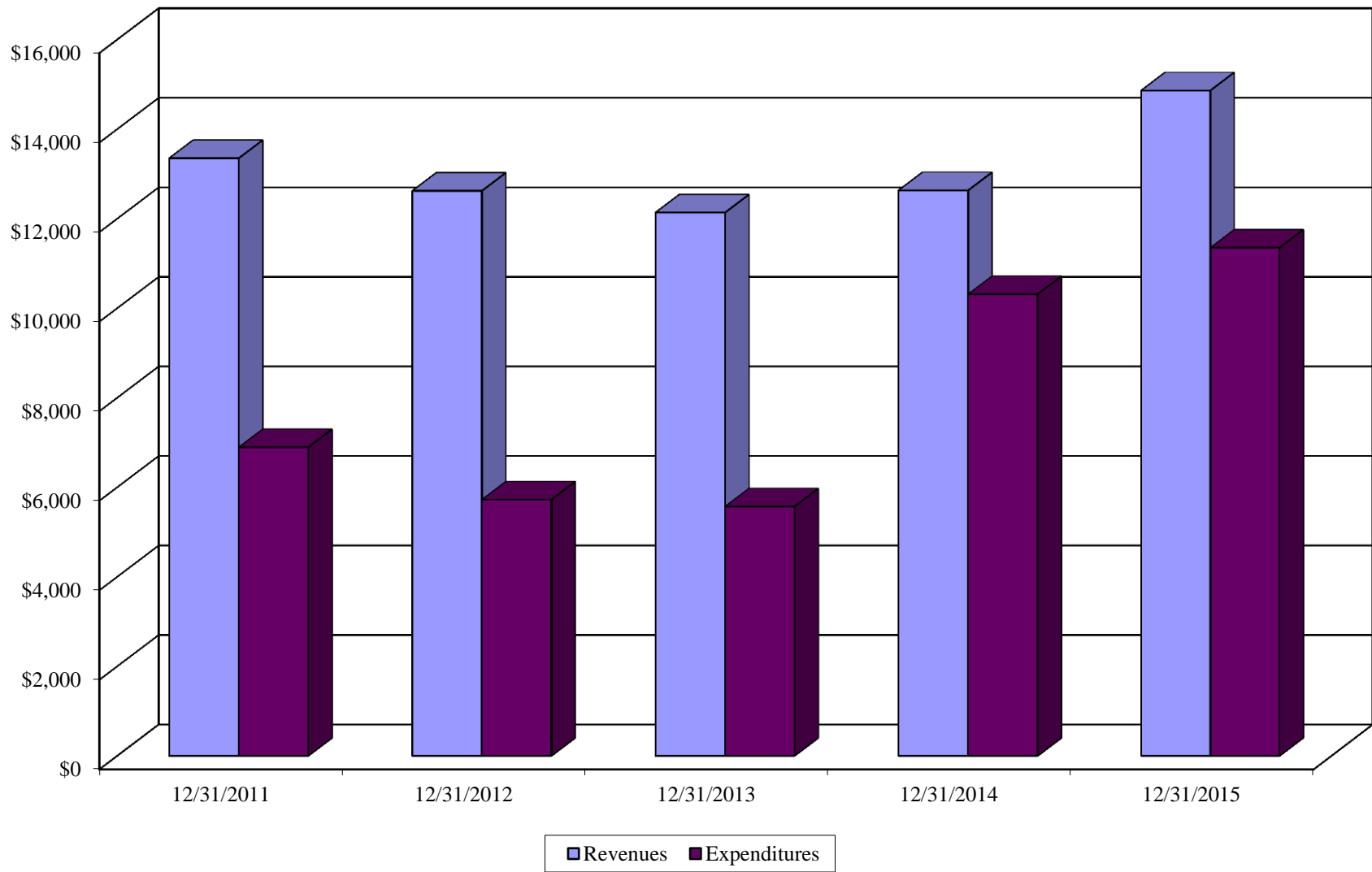
**City of Rozel, Kansas
Gas Fund
Revenues vs Expenditures**



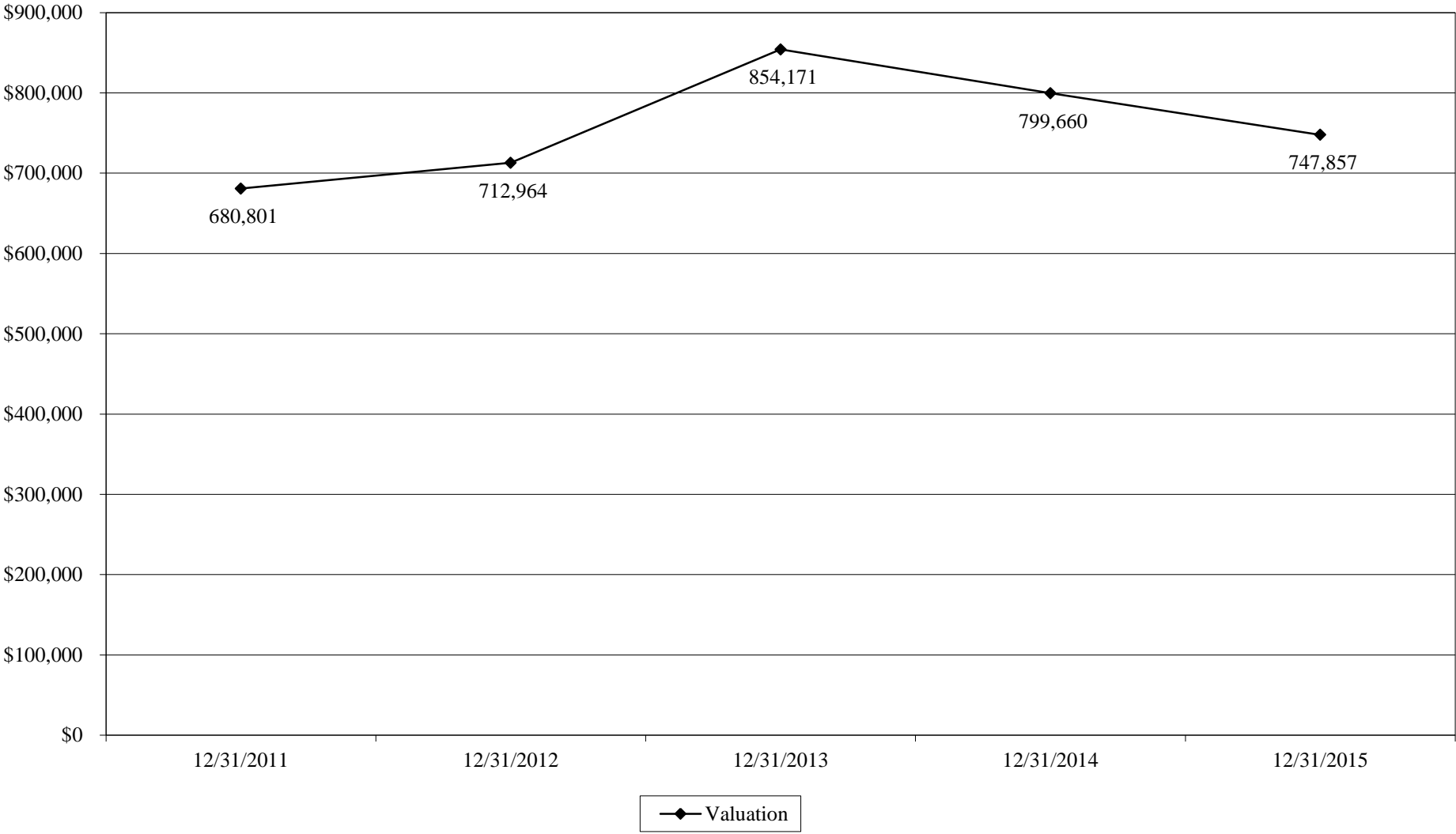
**City of Rozel, Kansas
Water Fund
Revenues vs Expenditures**



**City of Rozel, Kansas
Sewer Fund
Revenues vs Expenditures**



City of Rozel, Kansas Assessed Valuation



City of Rozel, Kansas Mill Rate

